

1. The meeting was called to order at 6:00 pm.
2. The Pledge of Allegiance was led by Harold Merritt.
3. Roll Call: Jack Davis, Neil Duncan, Kevin Sair, Mayor Moser, and Harold Merritt were present. Nathan Bronemann took minutes. Legal Counsel was excused. Rod Mills of Ensign Engineering was present.
4. Declarations of conflict of interests

Harold Merritt distributed his annual conflict of interest declaration letter to the other members of the board.

5. Adopt Meeting Rules

This item was acted upon in the previous meeting.

6. Acquisitions – Harold Merritt

Mayor Moser reported that the final closing documents had been prepared and sent out and he said they should be finalized by this Friday.

7. Funding – Kevin Sair

Nothing to report.

- a. Rural Development funding schedule and package

Rod Mills reported that the latest census made it look like the Apple Valley residents were much richer than they actually were. He said the District did not qualify for any grant money, but that the RD loan package was about \$4 million at as low as 2% or possibly 1.5% annual interest. He said that was better than originally anticipated. He said they could approve that money as soon as they received approved documents. He reported that they should have them any day and that the funds could be approved and obligated in the next 30-60 days.

8. Operations – Neil Duncan

Mayor Moser said that \$50,000 would be withheld from the final closing for the purposes of repairs to the system.

Jerry Eves reported that Cedar Point Water Company had addressed all of the water testing issues with the exception of lead and copper. He distributed reports to the board. (See attached.) He said Apple Valley Water Company was working on theirs.

Neal Duncan said he would like to know where the samples were taken from.

Jerry Eves said he would take the samples from the end of the line and showed Mr. Duncan on the paperwork exactly where the samples were taken from.

Mayor Moser requested that Mr. Eves furnish a copy of the letter of non-compliance addressed to the Apple Valley Water Company to the board.

Jerry Eves said he would do so.

- a. Discussion and action on emergency expenditure of up to \$20,000 for existing system repairs

Neil Duncan reported that they would need approximately \$500 for tools. He distributed a list of required items to the members of the board they estimated they would need to repair the system leaks and issues.

Neil Duncan asked Rod Mills when they would be able to make the important repairs that need to be made to the system as soon as possible

Rod Mills said that as soon as the paperwork is signed they could make those repairs.

Mayor Moser recommended waiting until after the closing until they do any work to avoid liability issues.

Dale Harris said he was very concerned with the water quality and recommended that certain issues be fixed right now.

Mayor Moser reported that a certified letter had been sent by the State to the Apple Valley Water Company and that the letter had not been accepted by the Apple Valley Water Company. He said the letter stated that they were to receive fines for being non-compliant.

#### 9. Resource Management – Mayor Moser

Mayor Moser said he was aware of a Town resident that was interested in purchasing the old pipe and hydrants that would be left over when they were replaced.

#### 10. Development – Jack Davis

Jack Davis reported that there was a developer contesting the fact that his parcel was within the Town boundaries. He said he had discussed with those developers the potential time frame with regard to the water system ownership.

#### 11. Review of Policies and Procedures

Jack Davis said he thought they were supposed to have bylaws according to his research.

Mayor Moser said they had been done.

Rod Mills said the board should have a policy/procedure system in place, so when new board members came on board, they would receive all the information needed. He said with regard to policies and procedures, he would like to start with the sewer aspect.

#### 12. Sewer

Jack Davis reported he had been in contact with Orenco and had received a lot of information on Orenco sewer systems. He said Orenco has a representative in Utah and they would be willing to make a sewer treatment presentation to the water board.

Rod Mills said new developers would first go to the Town and the Town would notify the water district of the developer's intent. He said the water district would have to supply the developer a will serve letter after meeting the district's qualifications. The developer would then have to present the will serve letter to the Town for final approval.

Neil Duncan asked if there were any of the newer sewer systems nearby.

Rod Mills said there were some similar systems around that would allow the district members to go and ask questions.

Jack Davis asked if the water board could offer sewer system treatment options to developers.

Rod Mills said the hired technical experts would make recommendations as to what type of systems would work best for the Town. He said they would recommend the most appropriate level of service after doing the research.

13. Consent Calendar - Income and Expenses

Nothing to report.

14. Consider approval of minutes:

a. February 20, 2013 Regular Meeting Minutes

Motion made by Mayor Moser to approve the February 20, 2013 regular meeting minutes as corrected. Neil Duncan seconded the motion. Vote: Jack Davis-yes, Neil Duncan-yes, Kevin Sair-abstain, Mayor Moser-yes, Harold Merritt-yes. The motion passed 4/0 with one abstention.

15. Request for a closed session

Motion made by Mayor Moser to hold a closed session to discuss the finalization of the water purchase. Kevin Sair seconded the motion. Vote: Jack Davis-yes, Neil Duncan-yes, Kevin Sair-yes, Mayor Moser-yes, Harold Merritt-yes. The motion passed 5/0.

16. Adjournment

Motion made by Mayor Moser to adjourn the meeting. Neil Duncan seconded the motion. Vote: Jack Davis-yes, Neil Duncan-yes, Kevin Sair-yes, Mayor Moser-yes, Harold Merritt-yes. The motion passed 5/0.

Meeting adjourned at approximately 7:18 PM.

Date approved: \_\_\_\_\_

ATTEST BY: \_\_\_\_\_  
Nathan Bronemann

\_\_\_\_\_  
Chairman Harold Merritt